

FIRST DIVISION

[G.R. No. 160123, June 17, 2015]

**CENTRO PROJECT MANPOWER SERVICES CORPORATION,
PETITIONER, VS. AGUINALDO NALUIS AND THE COURT OF
APPEALS, RESPONDENTS.**

D E C I S I O N

BERSAMIN, J.:

In the interpretation of their provisions, labor contracts require the resolution of doubts in favor of the laborer because of their being imbued with social justice considerations. This rule of interpretation is demanded by the *Labor Code*^[1] and the *Civil Code*.^[2]

Both the Labor Arbiter^[3] and the National Labor Relations Commission (NLRC)^[4] resolved the doubt in favor of the employer when it held that respondent Aguinaldo Naluis (Naluis) had been properly repatriated, and, consequently, not illegally dismissed. However, on April 23, 2009, the Court of Appeals (CA) set aside their resolutions, and ruled to the contrary.^[5] Hence, this appeal by the employer.

Antecedents

Petitioner Centro Project Manpower Services Corporation (Centro Project), a local recruitment agency, engaged Naluis to work abroad as a plumber under Pacific Micronesia Corporation (Pacific Micronesia) in Garapan, Saipan, in the Commonwealth of the Northern Mariana Islands (Northern Marianas). The work was covered by the primary Employment Contract dated March 11, 1997,^[6] whereby his employment would last for 12 months, and would commence upon his arrival in Northern Marianas. On June 3, 1997, the Department of Labor and Immigration of Northern Mariana Islands issued an Authorization for Entry (AE)^[7] in his favor. On September 3, 1997, Centro Project and Naluis executed an addendum to the primary Employment Contract^[8] to make the start of his employment effective from his departure at the point of origin instead of his arrival in Northern Marianas.

Naluis left for Northern Mariana on September 13, 1997,^[9] the date of his actual deployment, and his employment continued until his repatriation to the Philippines on June 3, 1998 allegedly due to the expiration of the employment contract. Not having completed 12 months of work, he filed a complaint for illegal dismissal against Centro Project.

The Labor Arbiter found that Centro Project had been justified in repatriating Naluis, and accordingly dismissed the complaint, to wit:

This Office finds the repatriation of complainant to the Philippines NOT A DISMISSAL BUT AS A RESULT OF THE LAWS AND REGULATIONS OF THE COMMONWEALTH OF NORTHERN MARIANA ISLANDS AS PROVIDED FOR IN THE AUTHORIZATION FOR ENTRY.

x x x x

Although complainant has not served the twelve (12) months period stated in the Contract of Employment, the Employer has no other alternative but to repatriate complainant otherwise, the employer could be liable for violation of the Commonwealth's Immigration Rules x x x.

x x x x

WHEREFORE, in view of the foregoing, the instant complaint is hereby **DISMISSED** lack of merit.^[10]

Naluis appealed to the NLRC, which found that Centro Project had no choice but to terminate the employment contract because the AE issued by the Department of Labor and Immigration of Northern Mariana Islands had limited his stay in Northern Marianas, and that his employment had expired on May 13, 1998 as explicitly provided in the employment contract executed between him and Centro Project. The NLRC thus disposed:

WHEREFORE, in view of the foregoing, this Commission resolves to affirm the Decision of the Labor Arbiter and dismiss the instant appeal for lack of merit.^[11]

Naluis assailed the decision of the NLRC in the CA.

On April 23, 2009, the CA promulgated its judgment setting aside the decision of the NLRC, holding that the AE did not have any effect on Naluis' employment status; that the AE did not limit his stay in Northern Marianas; and that, consequently, Centro Project had breached the contract by ordering his repatriation. The CA decreed as follows:

WHEREFORE, the petition is **GRANTED**. The assailed decision is **REVERSED** and **SET ASIDE**, and a new one entered DIRECTING the private respondent to pay the petitioner the following:

- a) Four (4) months salary corresponding to the unpaid portion of his contract at \$520.00 (Five Hundred Twenty U.S. Dollars) per month;
- b) Guaranteed overtime pay at an average of thirty (30) to forty (40) hours per month in excess of straight eight (8) hours regular work schedule corresponding to the unexpired portion of four (4) months in the contract;
- c) Placement fee of Thirteen Thousand Five Hundred (13,500.00) Pesos;
- d) Legal holiday equivalent to ten (10) days with pay;
- e) Twelve (12) days vacation leave with pay; and
- f) Attorney's fees of Ten Thousand Pesos (P10,000.00).

SO ORDERED.^[12]

Issues

Hence, this appeal, whereby Centro Project submits that the AE categorically fixed the period of stay of Naluis; and that even the primary Employment Contract clearly set the date for its expiration.

Naluis counters that the handwritten date of May 3, 1998 was inserted in the primary Employment Contract only after he had signed it, as distinguished from all other stipulations that had been typewritten.

Did the expiration date contained in the AE issued by the Department of Labor and Immigration of Northern Mariana Islands validly cut short Naluis' stay and thus justified the pre-termination of his work?

Ruling of the Court

The appeal lacks merit.

There is no dispute that Naluis did not complete the 12-month period stipulated in the primary Employment Contract. However, the NLRC concluded that Centro Project had been justified in repatriating him because the AE had stipulated a limit of stay for him. The NLRC thereby relied on a loose interpretation of the AE and the primary Employment Contract.

In finding that the NLRC committed grave abuse of discretion amounting to lack or excess of jurisdiction in so concluding, the CA observed that:

x x x the document upon which the employer predicated its action to terminate and repatriate the petitioner i.e., the Authorization of Entry issued by the immigration authorities of CNMI does not appear to limit the employee's stay in the said country. **The authorization upon its face simply shows that the person to whom it is issued should enter CNMI not later than May 13, 1998 as a general rule or, if he is an employee, not later than three months from its issuance.** We submit that an authorization of entry is different from a limitation of stay in the country visited, which is not indicated in any of the documents submitted by the respondent.^[13]

We concur with the CA. The burden of proof to show that the employment contract had been validly terminated pertained to the employer.^[14] To discharge its burden, the employer must rely on the strength of its own evidence. However, Centro Project's reliance on the AE limiting Naluis' stay was unwarranted, and, worse, it did not discharge its burden of proof as the employer to show that Naluis' repatriation had been justified.

The recitals of the AE for Naluis were as follows:^[15]

This letter allows authorized entry into the Commonwealth of the Northern Mariana Islands for Aguinaldo S. Naluis.